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NSC BRIEFING

18 May 1954

Signs of Impending Change in West Germany's Foreign Policy

1. The contractual agreements (Bonn treaty of 26 May, 1952) and the European Defense Community treaty (Paris treaty of 27 May, 1952) together have constituted the keystone of Adenauer's foreign policy because:

- A. The contractual agreements would end the Allied occupation, granting near sovereignty to West Germany, but with some restrictions.
- B. Up to now, many West Germans have believed that EDC would lead to European integration with greater security and prosperity for the Federal Republic.
- C. Many West Germans not favoring EDC on its own merits supported it as the price to be paid for the contractual agreements.

II. As French National Assembly has continued to postpone EDC ratification--and hence implementation of the contractual agreements--there have been various indications that public support for Adenauer's European integration policies is fading:

- A. In past seven weeks the press and even government coalition leaders have begun to object to the linking of the two treaties.
- B. The 29 April Bundestag debate on foreign policy revealed:

- 1. Adenauer having unprecedented difficulty in getting coalition backing for his European

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integration policies;

2. Bulk of Adenauer's supporters do not really believe France will ratify EDC and the planned European Political Community.

C. Ambassador Conant reported to Washington on 5 May that West Germany's patience with the occupation is nearly exhausted.

D. Indications accumulate that the central issues in the four state elections this summer and particularly this fall will be progress made toward German sovereignty and Adenauer's integration policies.

1. Adenauer's Christian Democrats face uphill battle unless he can point to results by then.

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III. Indications are that Adenauer would then ask the West at least for an immediate public declaration promising early progress towards German sovereignty.

A. In effect, this would probably mean separating the two treaties and proceeding to implement the contractuals alone.

B. Separating the treaties however would raise new problems:

1. Ratification of the revised contractuals by all three Allied parliaments would be necessary.

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2. France, which accepted present version of the contractals in 1952 only because controls on German rearmament were contained in EDC treaty, would seek insertion of specific controls on rearmament.

3. German politicians have already given ample indication that, far from accepting additional restrictions in the contractals, they would demand fuller powers for the Federal Republic than they were willing to accept in 1952.

4. Separate and difficult negotiations would probably have to be undertaken to provide for Germany's financial contribution to the support of NATO troops on its territory.

C. Alternative plans for German rearmament to EDC are still unclear, despite much press speculation in Bonn on the feasibility of a modified form of EDC.

1. Rearmament, never so pressing an issue to the West Germans as sovereignty, has become less so lately, because:

- a. Fear of imminent Soviet aggression has abated;
- b. Hydrogen bomb developments have caused many West Germans to feel national rearmament is at present academic.

2. Most West German politicians evidently do not believe France will approve a German army in NATO on a basis acceptable to Bonn.

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D. Rise in German nationalism and neutralism might eventually impair Adenauer's whole policy of close cooperation with West.

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a. Nationalist and neutralist trends are newly evident in the statements of politicians of the opposition Social Democratic Party and the coalition Free Democratic Party

b. This trend became even more pronounced in the right wing coalition refugee party with its 8 May change in leadership.

2. Ruhr industrialists have recently stated that the restrictions of the Coal Steel Community are acceptable only as stepping stones to a general European integration from which West Germany would profit.

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